



Rule(s) Review Checklist Addendum
(This form must be filled out electronically.)

This form is to be used only if the rule(s) was/were previously reviewed, and has/have not been amended/repealed subsequent to that review.

All responses should be in **bold** format.

Document Reviewed (include title): **WAC 458-20-173**
Installing, cleaning, repairing or otherwise altering
or improving personal property of consumers

Date last reviewed: **September 26, 2000**

Current Reviewer: **JoAnne Gordon**

Date current review completed: **October 25, 2002**

Is this document being reviewed at this time because of a taxpayer or association request? (If "YES", provide the name of the taxpayer/association and a brief explanation of the issues raised in the request). **YES** ☐ **NO** ☒

Type an "x" in the column that most correctly answers the question, and provide clear, concise, and complete explanations where needed.

1. Briefly describe the subject matter of the rule(s):

Rule 173 explains how the business and occupation (B&O) and retail sales taxes apply when persons engage in the business of installing, cleaning, decorating, beautifying, repairing, or otherwise altering or improving tangible personal property for consumers located both inside and outside the state.

2. Related statutes, interpretive statements, court decisions, BTA decisions, and WTDs:
(Excise Tax Advisories (ETAs), Property Tax Advisories (PTAs), Property Tax Bulletins (PTBs) and Audit Directives (ADs) are considered interpretive statements.)

YES	NO	
X		Are there any statutory changes subsequent to the previous review of this rule that should be incorporated?
	X	Are there any interpretive statements not identified in the previous review of this rule that should be incorporated? (An Ancillary Document Review Supplement should be completed for each and submitted with this completed form.)
	X	Are there any interpretive statements that should be repealed because the information is currently included in this or another rule, or the information is incorrect or not needed? (An Ancillary Document Review Supplement should be completed for each and submitted with this completed form.)
	X	Are there any Board of Tax Appeal (BTA) decisions, court decisions, or Attorney Generals Opinions (AGOs) subsequent to the previous review of



		this rule that provide information that should be incorporated into this rule?
	X	Are there any administrative decisions (e.g., Appeals Division decisions (WTDs)) subsequent to the previous review of this rule that provide information that should be incorporated into the rule?
	X	Are there any changes to the recommendations in the previous review of this rule with respect to any of the types of documents noted above? (An Ancillary Document Review Supplement should be completed if any changes are recommended with respect to an interpretive statement.)

If the answer is "yes" to any of the questions above, identify the pertinent document(s) and provide a brief summary of the information that should be incorporated into the document.

Chapter 367, Laws of 2002, provides that use tax applies to the value of the service used when tangible personal property of consumers is repaired, cleaned, altered, or improved without payment of retail sales tax.

3. Additional information: Identify any additional issues (other than that noted above or in the previous review) that should be addressed or incorporated into the rule. Note here if you believe the rule can be rewritten and reorganized in a more clear and concise manner.

A special notice dated July 29, 2002, Use Tax on Out-of-state Repairs, discusses the changes resulting from chapter 367, Laws of 2002. This notice updates the August 4, 1994 special notice identified in the previous rule review.

4. LISTING OF DOCUMENTS REVIEWED: The reviewer need identify only those documents that were not listed in the previous review of the rule(s). (Use "bullets" with any lists, and include documents discussed above. Citations to statutes, interpretive statements, and similar documents should include titles. Citations to Attorneys General Opinions (AGOs) and court, Board of Tax Appeals (BTA), and Appeals Division (WTD) decisions should be followed by a brief description (i.e., a phrase or sentence) of the pertinent issue(s).)

Statute(s) Implemented:

- **RCW 82.04.190 ("Consumer.")**
- **RCW 82.12.010 (Definitions.)**
- **RCW 82.12.020 (Use tax imposed.)**
- **RCW 82.12.035 (Credit for retail sales or use taxes paid to other jurisdictions with respect to property used.)**
- **RCW 82.14.020 (Definitions -- Where retail sale occurs.)**

Interpretive statements (e.g., ETAs and PTAs): **None.**

Court Decisions: **None,**

Board of Tax Appeals Decisions (BTAs): **None.**

Administrative Decisions (e.g., WTDs): **None.**



Attorney General's Opinions (AGOs): **None.**

Other Documents (e.g., special notices or Tax Topic articles, statutes or regulations administered by other agencies or government entities, statutes, rules, or other documents that were reviewed but were not specifically relevant to the subject matter of the document being reviewed): **None.**

4. Review Recommendation:

- ☒ **Amend**
- ☐ **Repeal** (Appropriate when repeal is not conditioned upon another rule-making action.)
- ☐ **Leave as is** (Appropriate even if the recommendation is to incorporate the current information into another rule.)
- ☐ **Begin the rule-making process for possible revision.** (Applies only when the Department has received a petition to revise a rule.)

Explanation of recommendation: Provide a brief summary of your recommendation, whether the same as or different from the original review of the document(s). If this recommendation differs from that of the previous review, explain the basis for this difference.

If recommending that the rule be amended, be sure to note whether the basis for the recommendation is to:

- Correct inaccurate tax-reporting information now found in the current rule;
- Incorporate legislation;
- Consolidate information now available in other documents (e.g., ETAs, WTDs, court decisions); or
- Address issues not otherwise addressed in other documents (e.g., ETAs, WTDs, court decisions).

As noted in the previous rule review, Rule 173 should be revised to consolidate numerous supplemental documents. Any revision should also incorporate the 2002 legislation imposing use tax on the value of the service used with respect to repairing, cleaning, altering, or improving tangible personal property for consumers.

Rule 173 may be affected if provisions relating to the national Streamlined Sales Tax Project (SSTP) are enacted into law. Thus, while this and the previous review demonstrate a need to amend Rule 173, this reviewer recommends waiting until the final results of the SSTP are known.



5. Manager action: Date: _____

_____ Reviewed and accepted recommendation

Amendment priority:

_____ 1
_____ 2
_____ 3
_____ 4